# General Government
# Joint Appropriations Committee

March 23, 2017

# Presentation Agenda

1. **Introduction**

   – Ronald G. Penny, Acting Secretary

2. **Agency Overview and Effectiveness/Efficiency**

   – Jocelyn Andrews, Chief Operating Officer

3. **Information Technology Needs / Budget Requests**

   – David Roseberry, Assistant Secretary, CIO/CISO

4. **Overall Agency Goals**

   – Jocelyn Andrews, Chief Operating Officer

5. **Questions from the Committee**

- Leadership Team Members Present
  - Jocelyn Andrews (COO), David Roseberry (Asst. Sec.), Angela Altice (Asst. Sec.), Anthony Edwards (Asst. Sec.), Jackie McKoy (CFO), Ken Wright (Legislative Liaison)
- Recent Organizational Structure Changes (June 2016)
  - No major structural changes
  - Internal promotion of professionals
  - Adapting structure to meet taxpayer filing tendencies
- Executive Review of Organization and Unchanged Focus/Mission
- Development of Employees

# Agency Overview

- Fiscal Year 2015 – 2016 Review
  - Gross Collections: $29.3 billion
  - Average Daily Deposit: $116.3 million
  - Tax Returns Processed: 11.8 million
  - Number of Refunds Issued: 2.4 million
  - Total Dollar Amount of Refunds: $2.1 billion
  - Average Refund Processing Time: Approximately 5 weeks
  - Return on Investment (FYE 6/30/16)
    - Examination Division: $46.28 for every dollar budgeted
    - Collections Division: $52.09 for every dollar budgeted

**NCDOR**

## Taxpayer Assistance Call Center

|  | Calendar Year 2014 | Calendar Year 2015 | Calendar Year 2016 | Calendar Year 2017* |
|---|---|---|---|---|
| Calls Answered (Per Month) | 85,236 | 92,993 | 92,056 | 90,645 |
| Average Talk Time | 5:29 | 5:43 | 5:37 | 6:08 |
| First Call Resolution | 73.3% | 73.0% | 74.4% | 79.5% |

*Through Feb.

## Collections Division

|  | FYE 6/30/14 | FYE 6/30/15 | FYE 6/30/16 |
|---|---|---|---|
| Total Collections | $513,431,351 | $516,130,893 | $624,215,689 |

- Expansion Budget request includes $12.5 m for annual Critical IT Operations and Maintenance:
  - **Modernized eFile ($4 m):** required for individuals and businesses to file electronically. Cost is almost exclusively for vendor labor to provide annual updates to existing product.
  - **Portfolio Warehouse ($2 m):** serves as the platform for fraud detection analysis and annual data loads from various sources. Cost is software maintenance and vendor labor to provide annual updates to existing product. Required for collaboration with Government Data Analytics Center.
  - **Operations and Maintenance ($6.5 m):** provides maintenance, support, and upgrades for various hardware and software.

- **Collections Case Management ($20 m)**
  - Authorizes the one-time use of $20 million from the Collection Assistance Fee to implement a new tax collection system.

- **Detect Identify Theft and Fraud ($4.4 m)**
  - Permits the annual use of $4.4 million to enhance the state's ability to fight identity theft and protect against fraud.

1. Collect taxes due to the State

   – Fair, impartial approach with taxpayers

2. Protect Taxpayers

   – Identity Theft

   – Refund Fraud

3. Development of Employees / Succession Planning

# **Questions from the Committee?**

- Contact Information:

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  – Ken Wright, Legislative Liaison: ken.wright@ncdor.gov